Secti. II-27—40,000—25-10-48.

FINANCE (1947) Department.

MS SERIES.

G.O. No. 655

Dated 29-8-1948

[Despatch Abstract.]

Expenditure - Central Heads of account (Civil) - Incurring in anticipation of provision of funds by the Dominion of India - Government of India memorandum - Communicated.

GOVERNMENT OF MADRAS.

ABSTRAC.T

EXPENDITURE - Central Heads of account (Civil) - Incurring in anticipation of provision of funds by the Dominion of India - Government of India memorandum - Communicated.

FINANCE DEPARTMENT.

G.O.MS.NO.655. DATED 29-8-1947.

Read:-

Letter from the Accountant General No.54-1/47-48/48 dated 27-8-1947.

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ORDER:

The Government of India Office Memorandum referred to in the letter from the Accountant General road above is communicated to Departments of the Secretariat and all Heads of Departments for information.

(BY ORDER OF HIS EXCELLENCY THE GOVERNOR)

T.E.VEERARAGHAVACHARI
Seinior Assistant Secretary to Government.

To
Departments of the Secretariat.
All Heads of Departments
Legislature Secretariat.
Personal Clerk to Hon'ble Minister.
with enclosure.

/ True Copy /

Copy of letter No.Bud.54.1/48 dated 27th August 1947 from the Accountant General, Madras to the Secretary to Government, Finance Department.

47-48

Sub: Incurring of expenditure in anticipation of the provision of funds.

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I have the honour to enclose herewith a copy of Government of India, Finance Department Office Memorandum No.D.6988-B/47 dated 21st August 1947 on the subject indicated above for information and necessary action.

1. in respect of central subjects administered by Government as agents of the Central Government and other heads for which estimates are sent by the Madras Government direct to the Government of India.

2. Pending the issue of formal orders proposed in paragraph 1 above, controlling authorities may continue to incur expenditure accordance with the sanctions in force on the date of separation as modified from time to time.

3. This memorandum relates only to expenditure chargeable to civil estimates other than Railway and P & T Estimates. Orders relating to expenditure chargeable to these estimates and to the estimates of Defence Services will be issued by the appropriate Branches of the Finance Department.

An extract of the report of the Expert Committee on Budget and Accounts which has been accepted by the Steering Committee and the Partition Council is enclosed for information.

Extract of paragraph 4 of the report of the Expert Committee

on Budget and Accounts which has been accepted by the Steering Committee and the Partition Council.

4. Budget - Sanctioned budget for the current year will cease to be operative from the 15th August 1947 when the two new Dominion Governments will start to function. It will be for the new Governments to prepare separate budgets for the remaining period of the current financial year and to obtain the approval of their legislatures. As this is likely to take some time we recommend that steps should be taken by the new Government as soon as possible after they are set up to authorise the incurring of expenditure in anticipation of the sanction of funds.

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Government of India, Finance Department, Office Memorandum No. D.6988, B/47 dated the 21st August 1947.

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Sub: Incurring of expenditure in anticipation of the provision of funds.

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As a result of the partition and the setting up of two new Dominions, the sanctioned budget of the Central Government for the current year ceases to be operative with effect from the 15th August 1947 and each of the two Dominion has to prepare a separate budget for the rest of the financial year commencing with that date and to obtain the approval of the legislature. Pending the preparation of this budget, it is necessary to authorise expenditure in anticipation of the provision of funds and to enable this to be done all Departments of the Government of India are requested to send to the Finance Department a statement showing by the grants and the sub and detailed heads shown in the current year's budget (with the such additions and alterations as may be necessary in the light of the present constitutional changes) the estimated expenditure during the rest of the financial year. This statement should reach this department by the 15th September at the latest and steps should be taken to secure that the necessary information reaches the departments from subordinate authorities in time for this date to be scrupulously adhered to. In preparing the forecast, it should be kept open for some months after the partition and that all expenditure incurred after the 14th August 1947 but relatable to the period before the partition will be adjusted against the account of the combined Government.
remembered that the accounts of the late central Government will be

/True Copy/

R. Thiagarajan 31.12

OFFICE ASSISTANT.
MADRAS RECORD OFFICE.

KP/30/11/-.

31/12